

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 855

Short Title: Public Hospitals Managed Care.

(Public)

Sponsors: Senator Cooper.

Referred to: Judiciary I/Constitution

April 26, 1995

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE PUBLIC HOSPITALS TO DEVELOP PREFERRED PROVIDER ORGANIZATIONS, HEALTH MAINTENANCE ORGANIZATIONS, AND MANAGED CARE PRODUCTS WITH PROVIDERS AND INSURERS.

The General Assembly of North Carolina enacts:

Section 1. Article 2 of Chapter 131E of the General Statutes is amended by inserting a new section to read:

"§ 131E-7.1. Public hospitals' managed care development authorized.

A public hospital as defined in G.S. 159-39(a) may acquire an ownership interest, in whole or in part, in a managed care company, including a health maintenance organization or preferred provider organization with which the public hospital is also directly or indirectly a contracting provider. Ownership interest may be evidenced by the ownership, or acquired by the purchase of, stock. This ownership or acquisition of stock is the exercise of a health care function and is not the investment of idle funds within the meaning of G.S. 159-30 and G.S.159-39(g)."

Sec. 2. This act becomes effective July 1, 1995, and applies to acquisitions on or after that date.